Grain Transportation Report

A weekly publication of the
Transportation and Marketing Programs/Transportation Services Branch
www.ams.usda.gov/tmdtsb/grain

August 11, 2005

Contents

The next release is August 18, '05

Certain New Ag Hauling Equipment Still Subject to Federal Excise Tax. A proposed amendment to eliminate a 12-percent Federal excise tax on the purchase of new truck-mounted bulk bed trailers did not survive the House-Senate Conference on the new transportation spending bill passed by Congress on July 29. The bulk bed trailers are used primarily for hauling grain and other farm commodities from growing fields after harvest to storage facilities, such as grain elevators. When purchased new, the bulk bed trailers are subject to the same Internal Revenue Service imposed 12-percent Federal excise tax that applies to retail sales of new heavy trucks and trailers that are used to transport cargo long distances over interstate highways. The tax is not applicable on purchases of used bulk bed trailers. However, the supply of used trailers has virtually dried up.

The bulk bed trailers are about 20 feet long, equipped with a built-in unloading mechanism, and can hold 300 to 400 bushels of grain. Farmers load the trailers with harvested grain which is then hauled by truck to nearby elevators. By contrast, the typical trailer used in tractor-trailer combinations that travel over the highways is around 42 feet long with a 1,000 to 1,200 bushel capacity. New truck-mounted bulk bed trailers cost between $10,000 and $14,000. The 12-percent Federal excise tax raises the cost considerably for farmers when they need to upgrade equipment. Since the tax was intended to supplement highway repairs, grain farmers and other producers who use the bulk bed trailers locally support the position that only those who use the interstate highways should be subject to the tax when purchasing new equipment. *John.Batson@USDA.gov*

BNSF Re-Establishes 52-Car Unit Wheat Rates. BNSF has re-established 52-car rates for wheat shipments to the Pacific Northwest (PNW) following discussions with its customers and elected officials, particularly those in North Dakota and Montana. Effective August 18, 2005, BNSF will re-establish the wheat rates for 52-car units at a $100 per car discount compared to single car rates.

In June, BNSF had announced it would cancel wheat rates from stations that have not shipped in the last 2 years and eliminate the remaining 52-car rates. BNSF stated that the purpose of the change was to reduce the number of tariff items and simplify remaining tariffs. The BNSF proposal would have reduced rates for DET (Domestic Efficiency Train) and Shuttle trains (110-cars) by $100 to $125 per car. Meanwhile, rates for single-car and 26-car shipments would have increased by $125 and $100 per car, respectively. Shipping groups, however, believe the proposed change would harm smaller elevators by making them less competitive with the railroad's more efficient 110-car loading facilities. Shippers claimed that the decision to eliminate the 52-car rates would have eventually bankrupted grain elevators that could only accommodate 52-car trains, damage local economies, and increase transportation costs to farmers.

BNSF will seek additional customer input on this matter during the Ag Symposium in Brainard, MN, August 29, 2005. (www.bnsf.com, Associated Press) *Karl.Hacker@USDA.gov*

Grain Transportation Indicators

Table 1--Grain transport cost indicators*

Week ending	Truck	Rail	Barge	Ocean	
				Gulf	Pacific
08/10/05	162	419	152	155	138
Compared with last week	↑	↑	↑	↑	↑

*Indicator: Base year 2000 = 100; Weekly updates include truck = diesel ($/gallon); rail = nearby secondary rail market ($/car); barge = spot Illinois River basis (index = percent of tariff rate); and ocean = routes to Japan ($/metric ton)

Source: Transportation & Marketing Programs/AMS/USDA

Table 2--Market update: U.S. origins to export position price spreads ($/bushel)

Commodity	Origin--destination	8/5/2005	7/29/2005
Corn	IL--Gulf	-0.51	-0.48
Corn	NE--Gulf	-0.74	-0.69
Soybean	IA--Gulf	-0.70	-0.67
HRW	KS--Gulf	-0.75	-0.64
HRS	ND--Portland	-1.53	-1.38

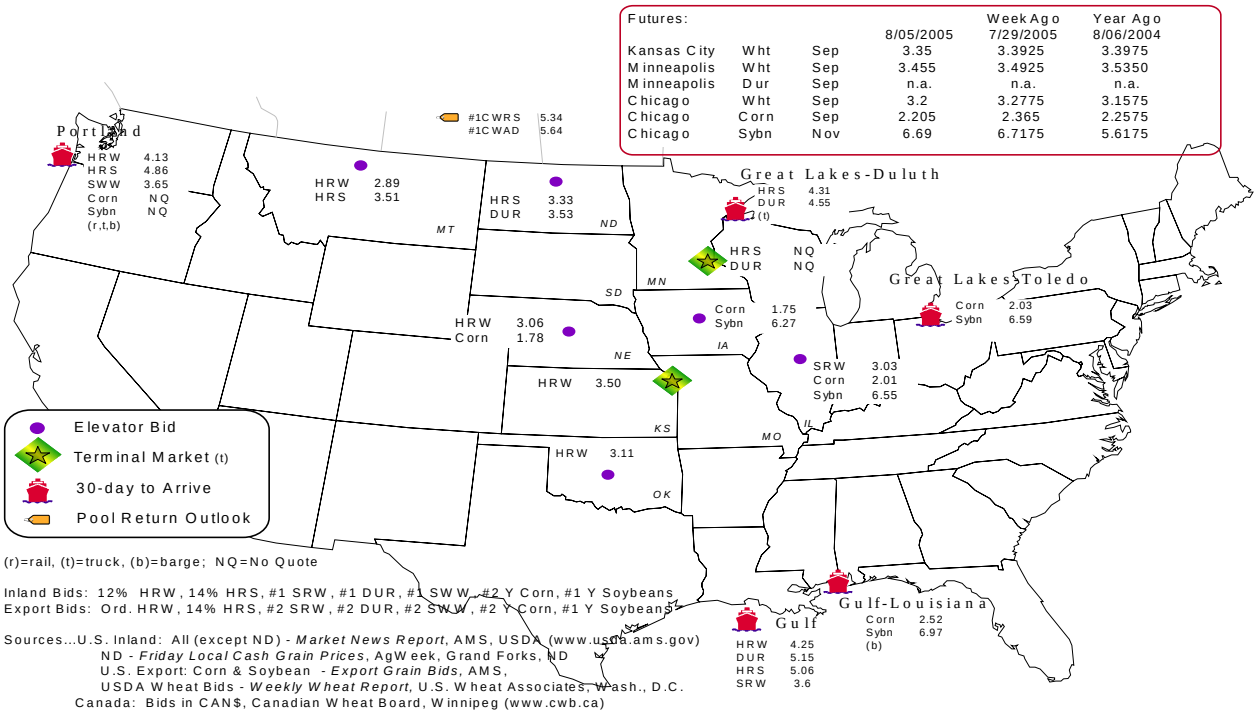
Note: nq = no quote

Source: Transportation & Marketing Programs/AMS/USDA

The **grain bid summary** illustrates the market relationships for commodities. Positive and negative adjustments in differential between terminal and futures markets, and the relationship to inland market points, are indicators of changes in fundamental market supply and demand. The map may be used to monitor market and time differentials.

Figure 1

Grain bid summary



Rail Transportation

Table 3--Rail deliveries to port (carloads)*

Week ending	Mississippi Gulf	Texas Gulf	Cross-Border Mexico	Pacific Northwest	Atlantic & East Gulf	Total
8/03/2005[p]	25	1,797	1,744	4,107	115	7,788
07/27/2005[r]	133	1,694	1,713	3,071	34	6,645
2005 YTD	7,151	51,788	52,547	131,434	7,884	250,804
2004 YTD	4,838	64,821	30,367	124,633	4,569	229,228
2005 as % of 2004	148	80	173	105	173	109
Total 2004	10,475	92,073	67,992	209,625	10,986	391,151
Total 2003**	14,843	88,194	48,805	157,125	20,509	329,476

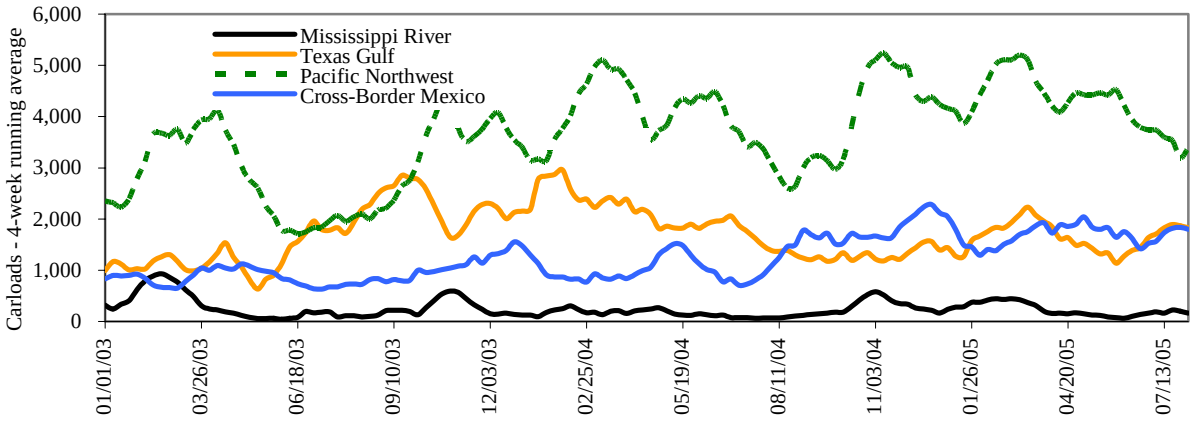
(*) Incomplete Data; as of 9/22/04, Cross-Border movements included; (**) Excludes 53rd week;YTD = year-to-date; p = preliminary data; r = revised data

Source: Transportation & Marketing Programs/AMS/USDA

Railroads originate approximately 40 percent of U.S. grain shipments. Trends in these loadings are indicative of market conditions and expectations.

Figure 2

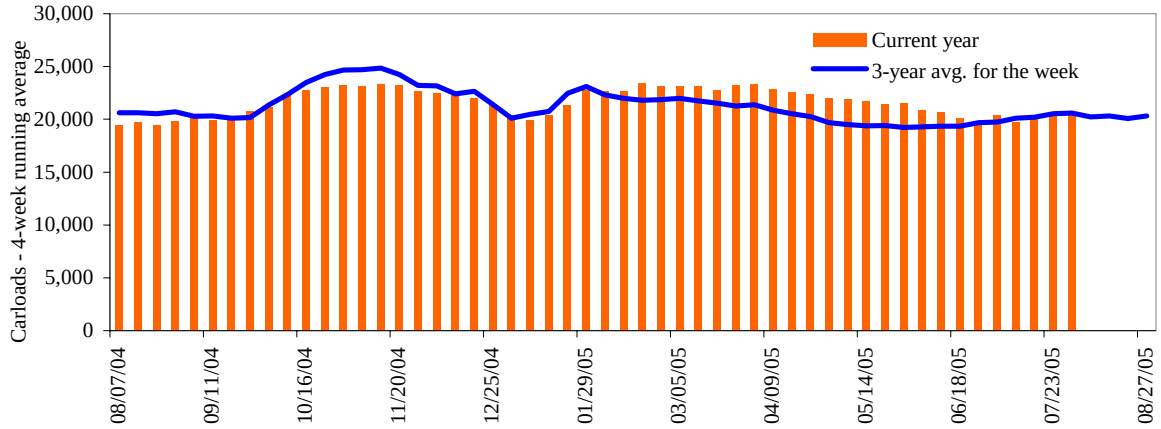
Rail deliveries to port



Source: Transportation & Marketing Programs/AMS/USDA

Figure 3

Total weekly U.S. grain car loadings for Class I railroads



Source: Association of American Railroads

Table 4--Class I rail carrier grain car bulletin (grain carloads originated)

	East		West			U.S. total	Canada	
Week ending	CSXT	NS	BNSF	KCS	UP		CN	CP
07/30/05	2,798	3,204	9,702	568	5,590	21,862	3,440	3,846
This week last year	2,127	3,020	7,251	428	6,098	18,924	4,307	4,149
2005 YTD	89,220	98,782	271,295	17,507	178,222	655,026	123,344	119,375
2004 YTD	85,207	97,617	261,003	14,412	196,862	655,101	140,415	116,217
2005 as % of 2004	105	101	104	121	91	100	88	103
Total 2004	142,206	169,650	458,587	27,618	327,510	1,125,571	237,664	210,060

Source: Association of American Railroads (www.aar.org); YTD = year-to-date

Table 5--Rail car auction offerings*, week ending 8/06/05 ($/car)**

Delivery for:	Sep-05	Oct-05	Nov-05
BNSF[1]			
COT/N. grain	no offer	no offer	$363
COT/S. grain	no offer	no offer	$282
UP[2]			
GCAS/Region 1	no offer	$124	no offer
GCAS/Region 2	no offer	$358	no offer

*Auction offerings are for single-car and unit train shipments only.

**Average premium/discount to tariff, last auction

[1]BNSF - COT = Certificate of Transportation

N includes: ID, MN, MT, ND, OR, SD, WA, WI, WY, and Manitoba, Canada.

S includes: CO, IA, IL, KS, MO, NE, OK, TX, NM, AZ, CA, UT, and NV.

[2]UP - GCAS = Grain Car Allocation System

Region 1 includes: AR, IL, LA, MO, NM, OK, TX, WI, and Duluth, MN.

Region 2 includes: CO, IA, KS, MN, NE, WY, and Kansas City and St. Joseph, MO.

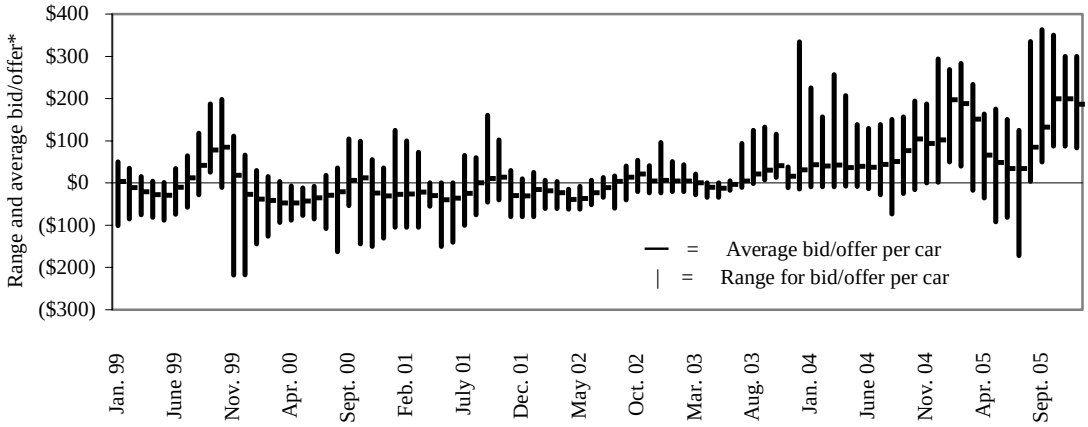
Source: Transportation & Marketing Programs/AMS/USDA

Rail service may be ordered directly from the railroad via **auction** for guaranteed service, or via tariff for nonguaranteed service, or through the secondary railcar market.

The **secondary rail market** information reflects trade values for service that was originally purchased from the railroad carrier as some form of guaranteed freight. The **auction and secondary rail** values are indicators of rail service quality and demand/supply.

Figure 4

Secondary rail car market, delivery month-year



*up to 6 months of trading

Source: Transportation & Marketing Programs/AMS/USDA

Average bid/offer is the simple average of all the weekly bids/offers over the entire period (up to 6 months) for guaranteed railcars that are traded for delivery in a particular month.

Range for bid/offer shows the range of average weekly bids/offers over the entire period (up to 6 months) for guaranteed railcars that are traded for delivery in a particular month.

Table 6--Weekly secondary rail car market, week ending 8/06/05 ($/car)*

	Delivery period			
	Sep-05	**Oct-05**	**Nov-05**	**Dec-05**
BNSF-GF	$363	$350	$300	$300
Change from last week	$52	$62	$25	$0
UP-Pool	$285	$321	$275	$275
Change from last week	$43	$34	$25	n/a

*Average premium/discount to tariff, $/car-last week

Note: Bids listed are market INDICATORS only & are NOT guaranteed prices,
Missing value = no bid quoted; GF = guaranteed freight; Pool = guaranteed pool

Sources: Transportation and Marketing Programs/AMS/USDA

Data from Atwood/ConAgra, Harvest States Co-op, James B. Joiner Co., Tradewest Brokerage Co.

Table 7--Tariff rail rates for unit and shuttle train shipments*

Effective date: 8/1/2005	Origin Region	Destination Region	Rate/car	Rate/metric ton	Rate/bushel**
Unit train*					
Wheat	Chicago, IL	Albany, NY	$1,861	$20.51	$0.56
	Kansas City, MO	Galveston, TX	$2,020	$22.27	$0.61
	South Central, KS	Galveston, TX	$2,450	$27.01	$0.74
	Minneapolis, MN	Houston, TX	$2,420	$26.68	$0.73
	St. Louis, MO	Houston, TX	$2,360	$26.01	$0.71
	South Central, ND	Houston, TX	$3,734	$41.16	$1.12
	Minneapolis, MN	Portland, OR	$4,198	$46.27	$1.26
	South Central, ND	Portland, OR	$4,198	$46.27	$1.26
	Northwest, KS	Portland, OR	$4,381	$48.29	$1.31
	Chicago, IL	Richmond, VA	$2,002	$22.07	$0.60
Corn	Chicago, IL	Baton Rouge, LA	$2,510	$27.67	$0.70
	Council Bluffs, IA	Baton Rouge, LA	$2,370	$26.12	$0.66
	Kansas City, MO	Dalhart, TX	$1,965	$21.66	$0.55
	Minneapolis, MN	Portland, OR	$3,600	$39.68	$1.01
	Evansville, IN	Raleigh, NC	$1,791	$19.74	$0.50
	Columbus, OH	Raleigh, NC	$1,700	$18.74	$0.48
	Council,Bluffs, IA	Stockton, CA	$3,606	$39.75	$1.01
Soybeans	Chicago, IL	Baton Rouge, LA	$2,455	$27.06	$0.74
	Council Bluffs, IA	Baton Rouge, LA	$2,315	$25.52	$0.69
	Minneapolis, MN	Portland, OR	$3,610	$39.79	$1.08
	Evansville, IN	Raleigh, NC	$1,791	$19.74	$0.54
	Chicago, IL	Raleigh, NC	$2,391	$26.36	$0.72
Shuttle Train*					
Wheat	St. Louis, MO	Houston, TX	$1,820	$20.06	$0.55
	Minneapolis, MN	Portland, OR	$3,898	$42.97	$1.17
Corn	Fremont, NE	Houston, TX	$2,665	$29.38	$0.75
	Minneapolis, MN	Portland, OR	$3,450	$38.03	$0.97
Soybeans	Council Bluffs, IA	Houston, TX	$2,785	$30.70	$0.84
	Minneapolis, MN	Portland, OR	$3,410	$37.59	$1.02

*A unit train refers to shipments of at least 52 cars. Shuttle train rates are available for qualified shipments of more than 100 cars that meet railroad efficiency requirements.

**Approximate load per car = 100 short tons: corn 56 lbs./bu., wheat & soybeans 60 lbs./bu.

Sources: www.bnsf.com, www.cpr.ca, www.csx.com, www.uprr.com

Table 8--Tariff rail rates for U.S. bulk grain shipments to Mexico, 2005

Effective date: 08/01/05

Commodity	Origin State	Border crossing region	Train size	Rate[1]	Rate/metric ton	Rate/bushel**
Wheat	KS	Brownsville, TX	Shuttle	$2,851	$29.13	$0.79
	ND	Eagle Pass, TX	Shuttle	$5,399	$55.17	$1.50
	OK	El Paso, TX	Shuttle	$2,264	$23.13	$0.63
	OK	El Paso, TX	Unit	$2,432	$24.85	$0.68
	AR	Laredo, TX	Unit	$2,383	$24.35	$0.66
	IL	Laredo, TX	Unit	$3,188	$32.57	$0.89
	MT	Laredo, TX	Shuttle	$4,298*	$43.92	$1.19
	TX	Laredo, TX	Shuttle	$2,165	$22.12	$0.60
	MO	Laredo, TX	Shuttle	$2,731	$27.90	$0.76
	WI	Laredo, TX	Unit	$3,405	$34.79	$0.95
Corn	NE	Brownsville, TX	Shuttle	$3,104	$31.72	$0.80
	NE	Brownsville, TX	Unit	$3,645*	$37.24	$0.95
	IA	Eagle Pass, TX	Unit	$3,334	$34.07	$0.86
	MO	Eagle Pass, TX	Shuttle	$3,040*	$31.06	$0.79
	NE	Eagle Pass, TX	Shuttle	$3,440*	$35.15	$0.89
	IA	Laredo, TX	Shuttle	$3,258	$33.29	$0.84
Soybean	IA	Brownsville, TX	Shuttle	$2,880	$29.43	$0.80
	MN	Brownsville, TX	Shuttle	$3,176	$32.45	$0.88
	NE	Brownsville, TX	Shuttle	$2,688	$27.47	$0.75
	NE	Eagle Pass, TX	Shuttle	$2,765	$28.25	$0.77
	IA	Laredo, TX	Unit	$2,918	$29.82	$0.81

A unit train refers to shipments of at least 52 cars. Shuttle train are available for qualified shipments of more than 100 cars that meet railroad efficiency requirements.

[1]Rates are based upon published tariff rates for high-capacity rail cars.

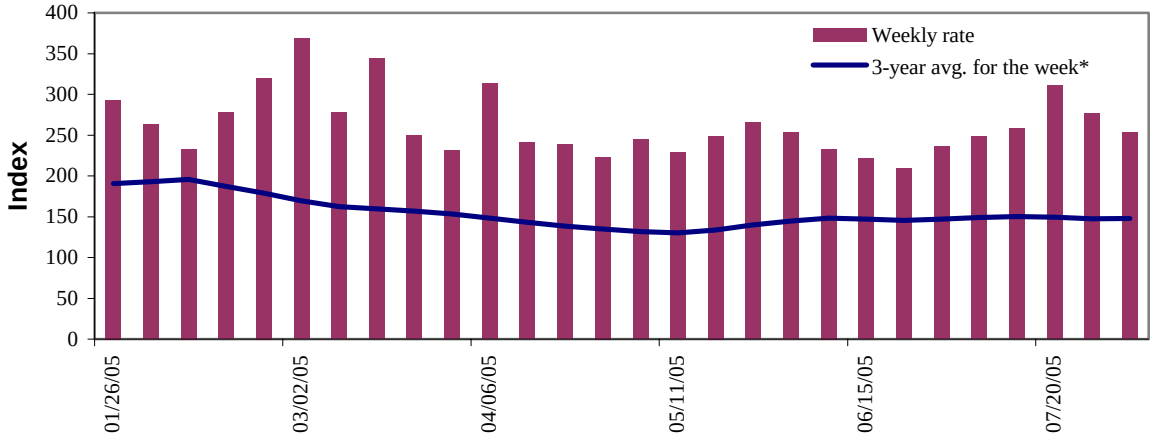
*High-capacity rate not available, rate estimated using published low-capacity tariff rate x 1.08

**Approximate load per car = 97.87 metric tons: Corn 56 lbs/bu, Wheat & Soybeans 60 lbs/bu

Sources: www.bnsf.com, www.uprr.com

Barge Transportation

Figure 5
Illinois River barge rate index - quotes



Note: Index = percent of tariff rate; *4-week moving average
Source: Transportation & Marketing Programs/AMS/USDA

The **Illinois River barge rate index** averaged 183 percent of the **benchmark tariff rates** between 1999 and 2001, based on weekly market quotes. The **index**, along with **rate quotes** and **futures market** bids are indicators of grain transport supply and demand.

Table 9--Barge rate quotes: southbound barge freight

Location	8/3/2005	7/27/2005	Sept. '05	Nov. '05
Twin Cities	331	415	381	361
Mid-Mississippi	273	328	337	319
Illinois River	253	276	323	306
St. Louis	237	273	310	274
Lower Ohio	221	236	323	286
Cairo-Memphis	225	242	309	262

Index = percent of tariff, based on 1976 tariff benchmark rate
Source: Transportation & Marketing Programs/AMS/USDA

Calculating barge rate per ton:
(Index * 1976 tariff benchmark rate per ton)/100

Select applicable index from market quotes included in tables on this page. The 1976 benchmark rates per ton are provided in map (see figure 6).

Note: The Illinois barge rate is for Beardstown, IL, La Grange Lock & Dam (L&D 8).

Figure 6
Benchmark tariff rates

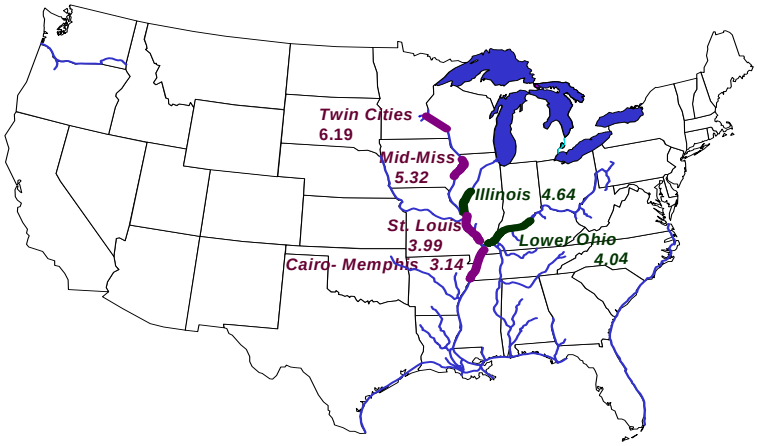
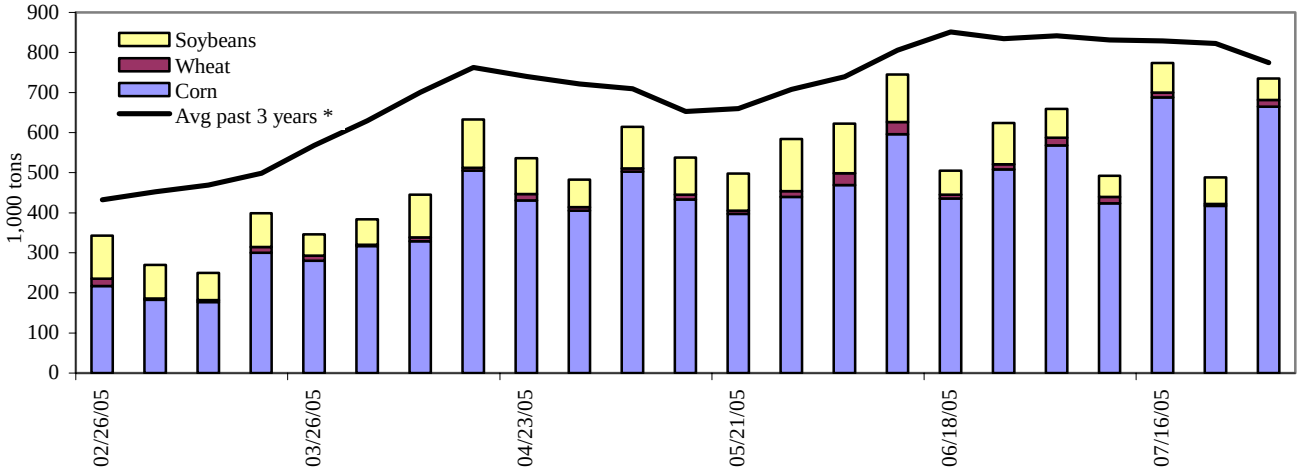


Figure 7

Barge movements on the Mississippi River (Locks 27 - Granite City, IL)



* 4-week moving average

Source: Transportation & Marketing Programs/AMS/USDA

Table 10--Barge grain movements (1,000 tons)

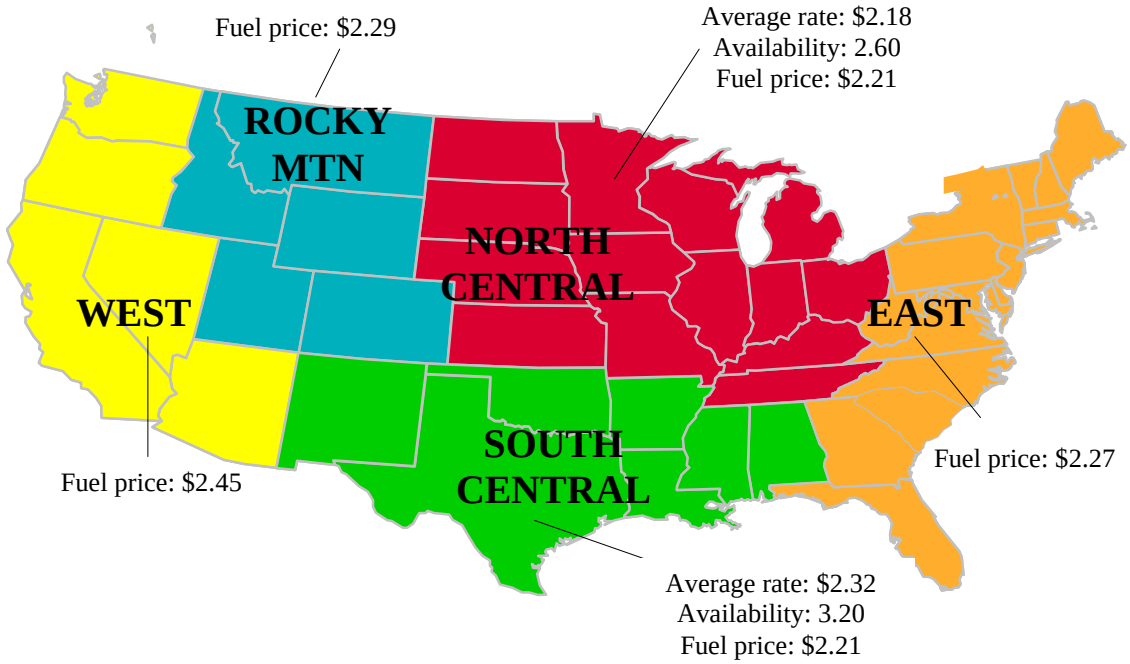
Week ending 7/30/2005	Corn	Wheat	Soybean	Other
Mississippi River				
Rock Island, IL (L15)	220	3	15	0
Winfield, MO (L25)	490	9	47	0
Alton, IL (L26)	677	11	55	0
Granite City, IL (L27)	665	16	54	0
Illinois River (L8)	119	0	17	0
Ohio River (L52)	47	3	23	20
Arkansas River (L1)	0	23	7	0
2005 YTD	13,731	1,022	4,216	423
2004 YTD	15,113	1,647	2,625	397
2005 as % of 2004 YTD	91	62	161	107
Total 2004	26,235	2,701	6,784	843

YTD (year-to-date) and calendar year total includes Miss/27, Ohio/52, and Ark/1. "Other" refers to oats, barley, sorghum, and

Source: U.S. Army Corp of Engineers (www.mvr.usace.army.mil/mvrimi/omni/webrpts/default.asp)

Note: Total may not add exactly, due to rounding

Figure 8
U.S. grain truck market advisory, 2nd quarter 2005*



*Average rate per loaded mile, based on truck rates for trips of 25, 100, and 200 miles
Note: Fuel prices are a quarterly average (unit per gallon)
Fuel price data source: Energy Information Administration, U.S. Department of Energy, www.eia.doe.gov

Table 11--U.S. grain truck market overview, 2nd quarter 2005

Region/commodity*	25 miles	100 miles	200 miles	Truck availability	Truck activity	Future truck activity
	Rate per mile			*Rating compared to same quarter last year* 1=Very easy to 5=Very difficult	1=Much lower to 5=Much higher	
National average[1]	**3.03**	**2.10**	**1.75**	**2.8**	**2.9**	**3.3**
North Central region[2]	3.00	1.95	1.59	2.6	3.1	3.3
Corn	3.08	2.47	1.87	2.0	3.3	3.5
Wheat	2.49	1.88	1.50	2.9	3.0	3.3
Soybean	3.08	2.47	1.87	2.0	3.3	3.5
South Central region[2]	2.89	2.18	1.88	3.2	2.2	2.8
Corn	2.60	1.96	1.78	3.3	2.3	2.8
Wheat	2.56	1.99	1.68	3.3	2.7	3.2
Soybean	3.87	2.49	2.18	3.0	2.0	2.8

Rates are based on trucks with 80,000 lb gross vehicle weight limit
*Commodity averages based on truck rates for top producing states based on National Agricultural Statistics Service/USDA
[1]National average includes: AR, CO, IA, IL, IN, KS, LA, MN, MS, ND, NE, OH, OK, OR, SD, TX, and WA.
[2]Commodity rates per mile include the average of the top 3 producing states within the region.
Source: Transportation and Marketing Programs/AMS/USDA

The **weekly diesel price** provides a proxy for trends in U.S. truck rates. Diesel fuel is a significant expense for truck grain movements, accounting for 37 percent of the estimated variable cost.

Table 12--Retail on-highway diesel prices*, week ending 08/08/05 (US$/gallon)

			Change from	
Region	**Location**	**Price**	**Week ago**	**Year ago**
I	East Coast	2.386	0.030	0.583
	New England	2.492	0.004	0.603
	Central Atlantic	2.484	0.019	0.593
	Lower Atlantic	2.334	0.037	0.576
II	Midwest	2.336	0.044	0.555
III	Gulf Coast	2.323	0.044	0.567
IV	Rocky Mountain	2.486	0.065	0.637
V	West Coast	2.801	0.207	0.771
	California	2.943	0.286	0.830
Total	U.S.	2.407	0.059	0.593

*Diesel fuel prices include all taxes.

Source: Energy Information Administration/U.S. Department of Energy (www.eia.doe.gov)

Grain Exports

Table 13--U.S. export balances (1,000 metric tons)

	Wheat						Corn	Soybeans	Total
Week ending 1/	HRW	SRW	HRS	SWW	DUR	All wheat			
7/28/2005	2,181	308	1,266	674	142	4,569	4,498	999	10,066
This week year ago	1,617	1,329	1,474	1,054	93	5,567	5,170	536	11,273
Cumulative exports-crop year 2/									
2004/05 YTD	1,476	372	1,202	347	130	3,527	41,410	29,217	74,154
2003/04 YTD	1,855	616	1,147	539	127	4,283	43,937	23,839	72,059
2004/05 as % of 2003/04	80	60	105	64	102	82	94	123	103
2003/04 Total	12,697	3,785	6,928	4,889	1,053	29,353	47,704	24,102	101,159
2002/03 Total	6,896	2,899	6,645	3,517	720	20,677	39,646	28,908	89,231

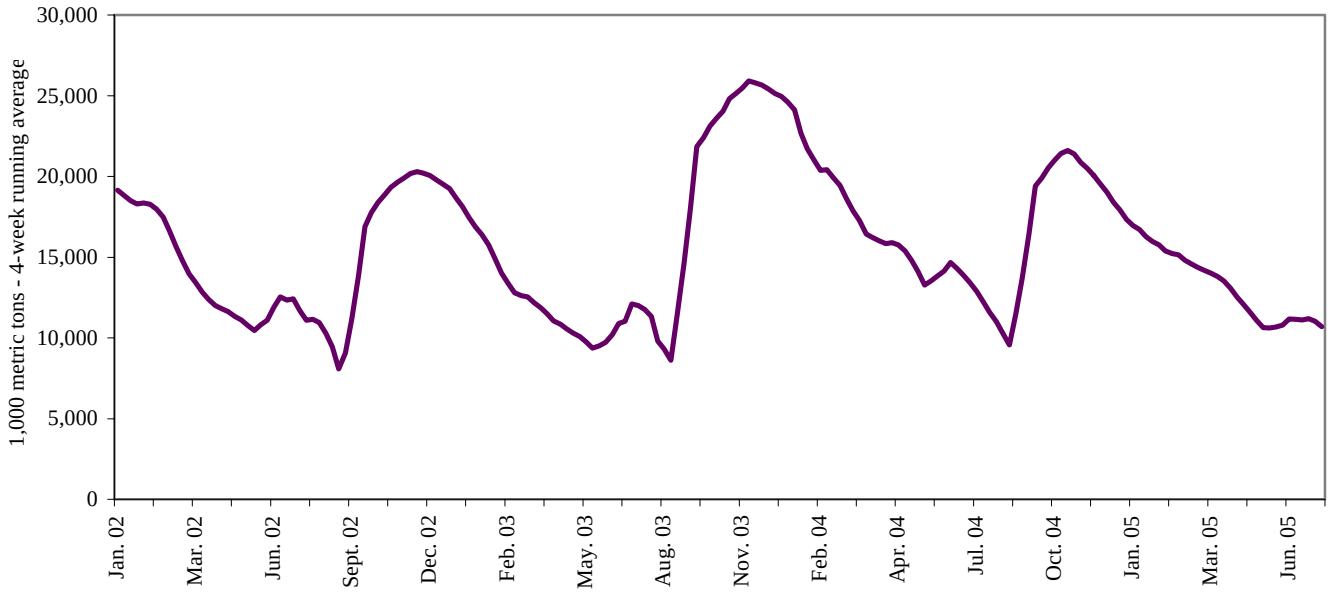
Note: YTD = year-to-date. Crop year: wheat = 6/01-5/31, corn & soybeans = 9/01-8/31, 1/ = Current unshipped export sales to date

2/ = Shipped export sales to date

Source: Foreign Agricultural Service/USDA (www.fas.usda.gov)

Figure 9

U.S. grain, unshipped export balance, including wheat, corn, and soybean sales



Source: Foreign Agricultural Service/USDA (www.fas.usda.gov)

Table 14--Select U.S. port regions - grain inspections for export (1,000 metric tons)

	Pacific Region			Mississippi Gulf			Texas Gulf			Port Region total		
Week ending	Wheat	Corn	Soybeans	Wheat	Corn	Soybeans	Wheat	Corn	Soybeans	Pacific	Mississippi	Texas
08/04/05	201	291	21	196	388	101	216	7	0	513	685	223
2005 YTD	5,728	6,053	3,417	3,210	16,459	8,535	3,936	291	6	15,198	28,204	4,233
2004 YTD	6,526	6,740	1,929	4,288	18,718	6,316	5,539	51	14	15,195	29,323	5,605
2005 as % of 2004	88	90	177	75	88	135	71	567	43	100	96	76
2004 Total *	12,121	9,741	4,753	7,154	32,851	15,540	7,936	131	23	26,615	55,546	8,089

Source: Federal Grain Inspection Service/USDA (www.usda.gov/gipsa); YTD: year-to-date; * includes 53rd week

The United States exports approximately one-quarter of the grain it produces. On average, it includes nearly 45 percent of U.S.-grown wheat, 35 percent of U.S.-grown soybeans, and 20 percent of the U.S.-grown corn. Approximately 55 percent of these U.S. export grain shipments departed through the Mississippi Gulf region in 2004.

Figure 10

U.S. grain inspected for export (wheat, corn, and soybeans)

Source: Federal Grain Inspection Service/USDA (www.usda.gov/gipsa)

Ocean Transportation

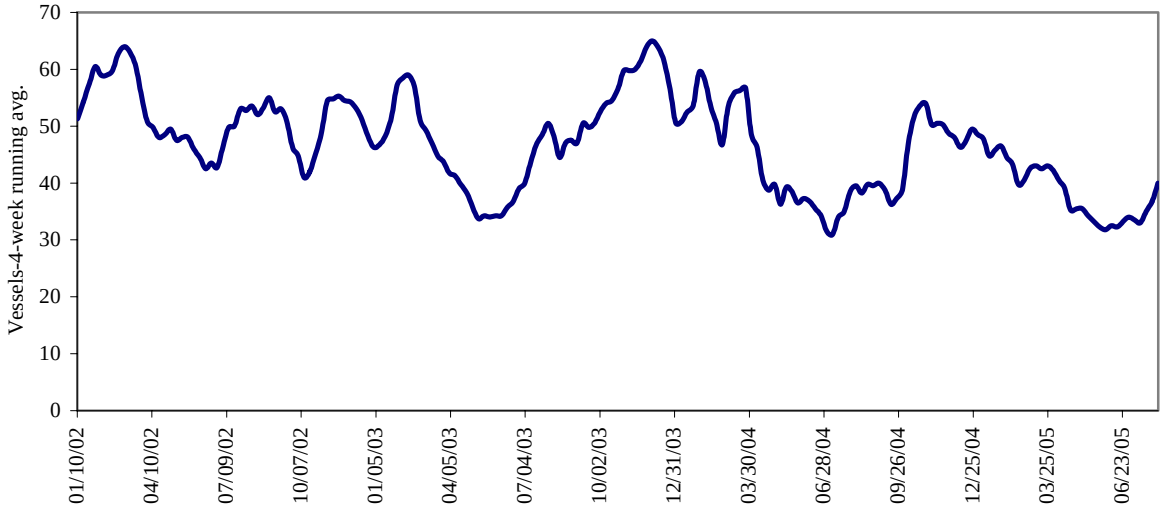
Table 15--Weekly port region grain ocean vessel activity (number of vessels)

	Gulf			Pacific Northwest	Vancouver B.C.
Date	In port	Loaded 7-days	Due next 10-days	In port	In port
8/4/2005	16	43	48	6	2
7/28/2005	20	40	49	13	6
2004 range	(10..43)	(25..73)	(38..96)	(4..16)	(0..18)
2004 avg.	24	45	61	9	6

Source: Transportation & Marketing Programs/AMS/USDA

Figure 11

Gulf Port grain vessel loading (past 7 days)



Source: Transportation & Marketing Programs/AMS/USDA

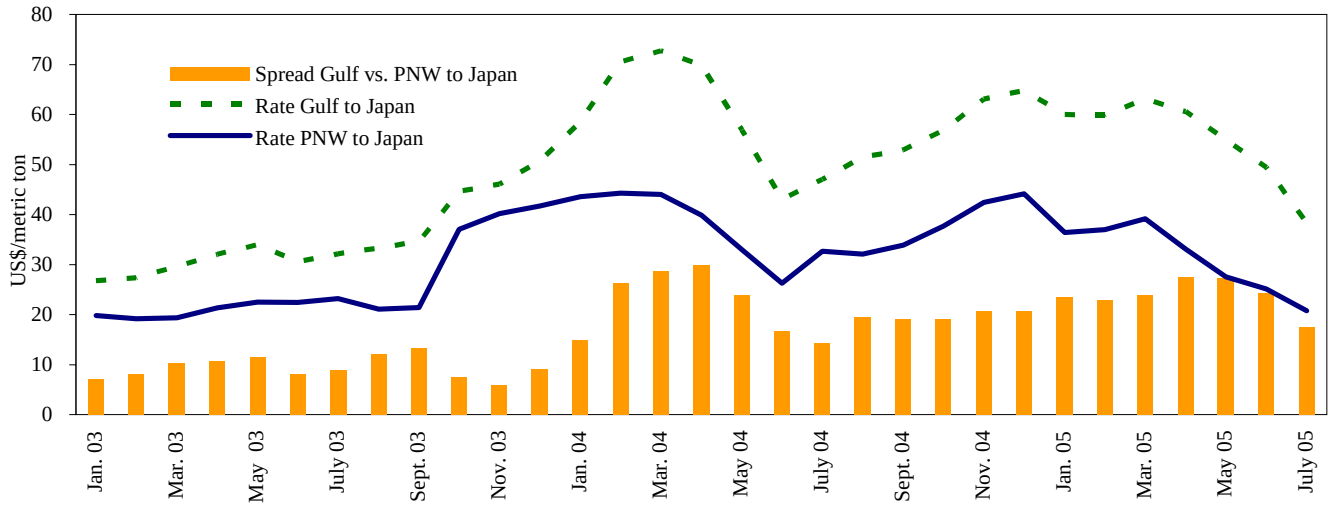
Table 16--Quarterly ocean freight rates (average rates & percentage changes) (US$/metric ton)

Countries/ regions	2005 2nd qtr	2004 2nd qtr	Percent change	Countries/ regions	2005 2nd qtr	2004 2nd qtr
Gulf to				**Pacific NW to**		
Japan	---	37.00	---	Japan	---	---
Taiwan	---	---	---	**Argentina/Brazil to**		
N. Africa	44.83	35.33	27	N. Africa	---	63.58
Med. Sea	---	---	---	Turkey	49.00	42.00

Source: Maritime Research, Inc. (www.maritime-research.com)

Figure 12

Grain vessel rates, U.S. to Japan



Source: Baltic Exchange (www.balticexchange.com)

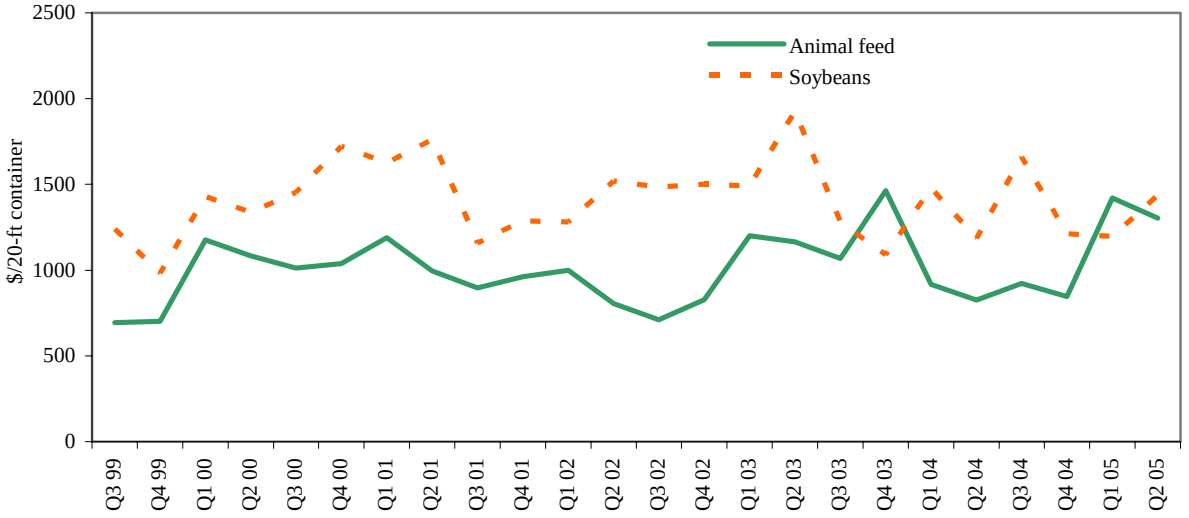
Table 17--Ocean freight rates for selected shipments, week ending 08/06/05

Export region	Import region	Grain	Month	Volume loads (metric tons)	Freight rate ($/metric ton)
U.S. Gulf	Djibouti*	Wheat	Jul 25/Aug 5	25,000	54.00
U.S. Gulf	South Korea	Hvy Grain	Jul 11/20	55,000	43.50
U.S. Gulf	Japan	Hvy Grain	Aug 17/27	44,000	33.75
U.S. Gulf	Japan	Hvy Grain	Aug 1/10	54,000	37.50
U.S. Gulf	Japan	Hvy Grain	Jul 31/Aug 5	54,000	37.75
Brazil	Morocco	Hvy Grain	Jul 27/ Aug 10	25,000	25.00
Canada	Indonesia	Wheat	Jul 15/30	65,000	21.00
Ukraine	Tunisia	Maize	Jul 20/30	15,000	21.50
Great Lakes	Algeria	Hvy Grain	Jun 20/30	18,000	57.00

Rates shown are for metric ton (2,204.62 lbs. = 1 metric ton), F.O.B., except where otherwise indicates; op = option
*75 percent of food aid from the United States is required to be shipped on U.S. flag vessels. The vessels are limited in availability resulting in higher rates. In addition, destinations receiving food aid generally lack adequate port unloading facilities, requiring the vessel to remain in port for a longer duration than normal.

Figure 13

Weighted average rates[1] for containerized shipments of animal feed and soybeans to selected Asian countries



[1]Animal Feed: Busan-Korea (13%), Kaohsiung-Taiwan (41%), Tokyo-Japan (30%), Hong Kong (11%), Bangkok-Thailand (5%) and soybeans: Busan-Korea (1%), Keelung-Taiwan (85%), Tokyo-Japan (11%), Bangkok-Thailand (3%), Hong Kong (1%) Quarter 2, 2005.

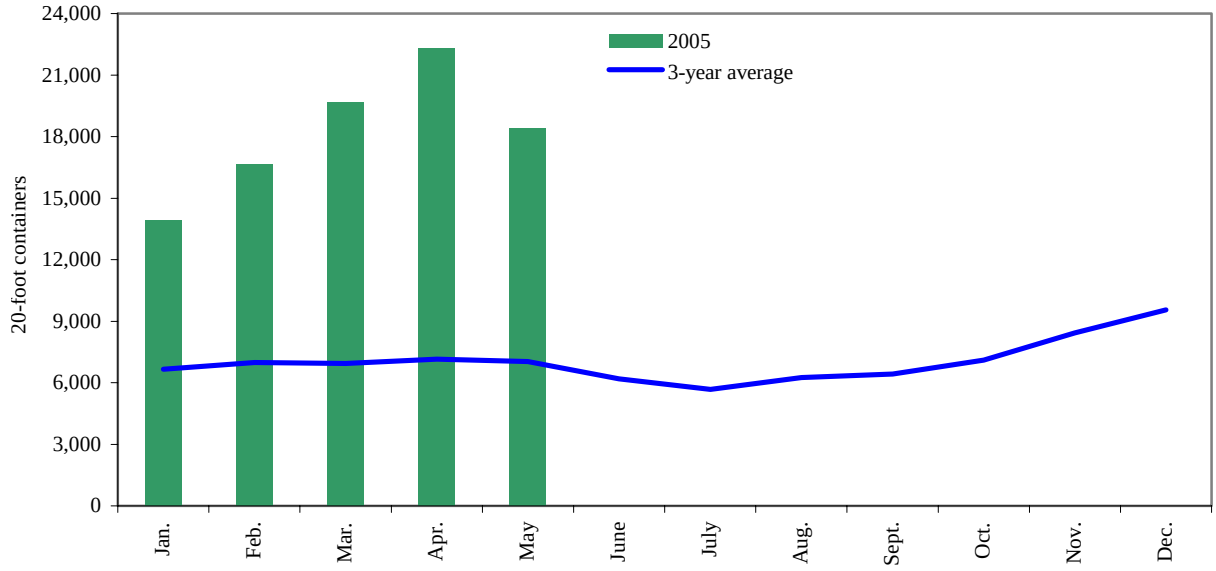
Source: Ocean Rate Bulletin, Transportation & Marketing Programs/AMS/USDA

Container ocean freight rates – average rate per twenty-foot equivalent unit (TEU) weighted by shipping line market share and trade route.

During 2004, containers were used to transport 2 percent of total U.S. grain exported, and 3 percent of total U.S. grain exported to Asia.

Figure 14

Monthly shipments of containerized grain to Asia for 2005 compared with a 3-year average

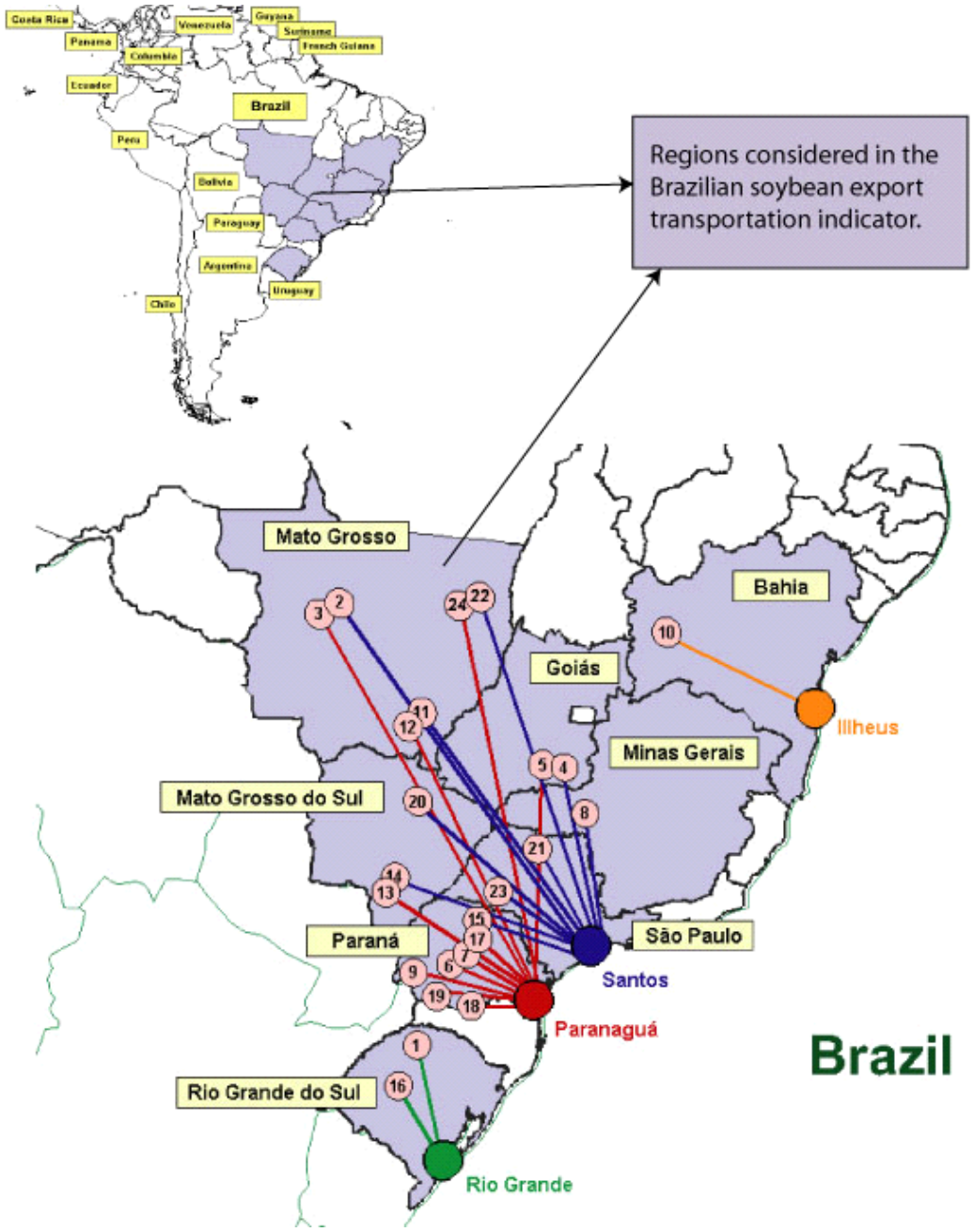


Source: Port Import Export Reporting Service (PIERS), *Journal of Commerce*

Note: PIERS data is available with a lag of approximately 40 days

Brazil Transportation

Figure 15
Routes and Regions considered in the Brazilian soybean export transportation indicator[1]



[1]Regions comprised 84 percent of Brazilian soybean production, 2003
Source: ESALQ/USP (University of São Paulo, Brazil) and USDA/AMS

Table 18--Truck rates for selected Brazilian soybean export transportation routes, 2nd quarter 2005

Route #	Origin[1] (reference city)	Destination	Distance (miles)[2]	Weight(%)[3]	Freight price (per 100 miles)[4]
1	Northwest RS[5](Cruz Alta)	Rio Grande	288	16.6	4.40
2	North MT(Sorriso)	Santos	1190	10.1	6.80
3	North MT(Sorriso)	Paranaguá	1262	9.5	6.27
4	South GO(Rio Verde)	Santos	587	7.0	6.83
5	South GO(Rio Verde)	Paranaguá	726	5.6	5.29
6	North Center PR(Londrina)	Paranaguá	268	4.4	8.51
7	Western Center PR(Mamborê)	Paranaguá	311	3.9	5.37
8	Triangle MG(Uberaba)	Santos	339	3.8	10.75
9	West PR(Assis Chateaubriand)	Paranaguá	377	3.7	5.16
10	West Extreme BA(São Desidério)	Ilhéus	544	3.6	7.14
11	Southeast MT(Primavera do Leste)	Santos	901	3.6	6.26
12	Southeast MT(Primavera do Leste)	Paranaguá	975	3.3	5.63
13	Southwest MS(Maracaju)	Paranaguá	612	3.1	6.07
14	Southwest MS(Maracaju)	Santos	652	2.9	6.31
15	West PR(Assis Chateaubriand)	Santos	550	2.5	5.68
16	Western Center RS(Tupanciretã)	Rio Grande	273	2.4	5.49
17	Southwest PR(Chopinzinho)	Paranaguá	291	2.3	5.73
18	Eastern Center PR(Castro)	Paranaguá	130	2.3	10.77
19	South Center PR(Guarapuava)	Paranaguá	204	2.1	7.95
20	North Center MS(São Gabriel do Oeste)	Santos	720	2.0	5.60
21	Ribeirão Preto SP(Guairá)	Santos	314	1.5	7.59
22	Northeast MT(Canarana)	Santos	950	1.4	7.26
23	Assis SP(Palmital)	Santos	285	1.2	7.74
24	Northeast MT(Canarana)	Paranaguá	1075	1.2	6.34
	Average		**626**	**100**	**6.33**

[1]Although each origin region comprises several cities, the main city is considered as a reference to establish the freight price

[2]Distance from the main city of the considered region to the mentioned ports

[3]The weight is directly proportional to the amount of production in each region

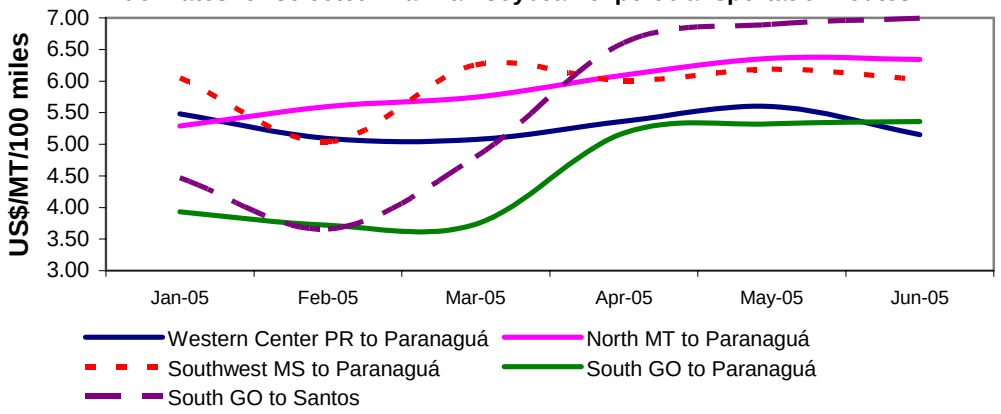
[4]US$ per metric ton (average monthly exchange rate from "Banco Central do Brasil" was used to convert Brazilian reais to the U.S. dollar)

[5]RS = Rio Grande Do Sul, MT= Mato Grosso, GO = Goiás, PR = Paraná, MG = Minas Gerais, BA = Bahia, MS = Mato Grosso Do Sul, SP = São Paulo

Source: ESALQ/USP (University of São Paulo, Brazil) and USDA/AMS

Figure 16

Truck rates for selected Brazilian soybean export transportation routes



Source: ESALQ/ USP (University of São Paulo, Brazil) and USDA/AMS

Table 19--Monthly Brazilian soybean export truck transportation cost index

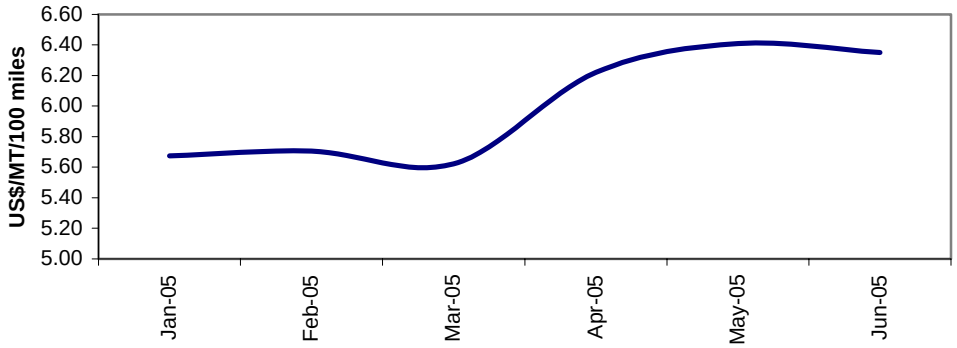
Month	Freight price* (per 100 miles)	Index variation (%) (Base: prior month)	Index value (Base: Jan. 05 = 100)
Jan. 05	5.67		100.00
Feb. 05	5.71	0.5	100.54
Mar. 05	5.62	-1.5	99.08
Apr. 05	6.22	10.6	109.61
May 05	6.41	3.1	112.96
Jun. 05	6.35	-0.9	111.90

*weighted average and quoted in US$ per metric ton

Source: ESALQ/USP (University of São Paulo, Brazil) and USDA/AMS

Figure 17

Brazilian soybean export truck transportation weighted average prices, 2005



Source: ESALQ/USP (University of São Paulo, Brazil) and USDA/AMS

Table 20--Quarterly ocean freight rates for shipping soybeans from selected Brazilian ports to Hamburg, Germany (US$/metric ton)*

Ports	2005 1st qtr	2005 2nd qtr
Santos	45.53	45.84
Paranagua	44.64	60.74
Rio Grande	44.20	44.39

*correspond to the average actual values negotiated between shippers and carriers and weighted according to the magnitude of the shipped volumes

Source: Sistema de Informações de Fretes, SIFRECA, ESALQ/USP (University of São Paulo, Brazil)

Contacts and Links

Contact Information

Coordinator		
Surajudeen (Deen) Olowolayemo	surajudeen.olowolayemo@usda.gov	(202) 690-1328
Grain Transportation Indicators		
Surajudeen (Deen) Olowolayemo	surajudeen.olowolayemo@usda.gov	(202) 690-1328
Rail		
Marvin Prater	marvin.prater@usda.gov	(202) 690-6290
Johnny Hill	johnny.hill@usda.gov	(202) 720-4211
Barge Transportation		
Karl Hacker	karl.hacker@usda.gov	(202) 690-0152
Nicholas Marathon	nick.marathon@usda.gov	(202) 690-0331
Truck Transportation		
Karl Hacker	karl.hacker@usda.gov	(202) 690-0152
John Batson	john.batson@usda.gov	(202) 690-1312
Grain Exports		
Johnny Hill	johnny.hill@usda.gov	(202) 720-4211
Ocean Transportation		
Surajudeen (Deen) Olowolayemo (Freight rates and vessels)	surajudeen.olowolayemo@usda.gov	(202) 690-1328
April Taylor (Container rates)	april.taylor@usda.gov	(202) 690-1326
Johnny Hill (Vessels)	johnny.hill@usda.gov	(202) 720-4211

Subscription Information: To subscribe to the GTR for a weekly email copy, please contact Deen Olowolayemo at surajudeen.olowolayemo@usda.gov or 202-690-1328 (1303) *(printed copies are also available upon request).*

Related Websites

Agricultural Container Indicators	http://www.ams.usda.gov/tmd2/agci/
Ocean Rate Bulletin	http://www.ams.usda.gov/tmd/Ocean/index.asp

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